

Board of Education, Concord School District
Special Board meeting
October 26, 2016

Board members: Rusty Cofrin, Clint Cogswell, Tom Croteau, Nathan Fennessy, Barb Higgins, Alana Kimball, Jennifer Patterson, Maureen Redmond-Scura (remotely by telephone), Jim Richards

Administrators: *Superintendent* Terri Forsten, *Business Administrator* Jack Dunn, *Director of Human Resources* Larry Prince

Clint Cogswell opened the Special Board meeting at 6:07 p.m. Jennifer Patterson noted that Maureen Redmond-Scura was attending the meeting by telephone and explained that, as required under RSA 91-A, the Board member who is participating remotely would be asked a few questions, and all votes would be made by roll call. Ms. Patterson asked Ms. Redmond-Scura to explain why she was unable to be physically present at the meeting; Ms. Redmond-Scura explained that she is in San Francisco and was unable to be present. Ms. Patterson also asked her whether anyone else was with her; Ms. Redmond-Scura explained that her husband was with her. Ms. Patterson confirmed that all Board members could hear Ms. Redmond-Scura and that she could hear everyone at the meeting. Ms. Patterson explained that all votes would need to be done by roll call to confirm Ms. Redmond-Scura's participation.

Tom Croteau briefly reviewed the Finance Committee meeting that was held prior to this Special Board meeting, and noted that the Committee had voted to recommend to the full Board consideration of both Options #2 and #4.

- Option #2: Deposit \$495,475 into the reserves [primarily into the budget stabilization fund] and increase the appropriation by \$490,000 to pay for increased steam heat costs. The impact on a home valued at \$250,000 = \$83 per year for both local and state education tax.
- Option #4 – Deposit \$495,475 into the reserves [primarily into the budget stabilization fund] and increase the appropriation by \$373,000 to pay for increased steam heat costs. The impact on a home valued at \$250,000 = \$73 per year for both local and state education tax.

Nathan Fennessy described discussions in the last several Finance Committee meetings related to the \$490,000 one-time money ("payment holiday") that was realized on healthcare enrollment and workers' compensation costs, as well as the anticipated increases in steam heating costs that were not budgeted for in the preliminary budget in March. He noted that the recommendation from the Finance Committee was to bank at least some of the one-time money, and increase appropriations in the budget to cover additional costs, primarily at Concord High School.

Ms. Patterson agreed that the Board needs to decide on either Option #2 or Option #4, and is fortunate to decrease the percentage of increase in education taxes, while still responsibly planning for this budget.

There were further questions about costs related to Concord Steam's planned cessation of business in March 2017, and the proposed settlement agreement by the Public Utilities Commission for several ratepayers, primarily the State and the School District.

Further discussion resulted in a Board consensus to focus on Option #2.

Mr. Cogswell asked for a motion on the final FY17 budget. Business Administrator Dunn displayed a proposed motion for Option #2:

Move that the School Board adopt the following changes to the FY17 Budget for the purposes of appropriating unreserved funds to pay for the increased cost of steam, and increase fund transfer into the Facilities and Renovation Trust Fund. This will bring the total budget to \$84,546,266 with a general fund of \$78,424,837 and to amend the budget for fiscal year 2016–2017 as approved on March 30, 2016, inclusive of the following deposits to existing expendable trust funds:

Vocational Capital Reserve fund for an amount up to \$142,102;

Facilities & Renovation Trust Fund for an amount up to \$982,788;

Food Service Fund for an amount up to \$75,000;

and also inclusive of the following withdrawals from the expendable trust funds to fund appropriations:

Vocation Capital Reserve Fund for an amount up to \$118,000;

Instructional Trust for an amount up to \$100,000;

Risk Management Reserve for an amount up to \$128,901.

Mr. Cogswell checked with Ms. Redmond-Scura and others to see if they had questions or comments. Mr. Dunn also shared with the Board local tax history, showing the decline in state support and the resulting higher cost obligations of the local tax base.

The Board voted 9-0 by roll call to approve the motion as presented (motioned by Mr. Fennessy, seconded by Mr. Croteau).

Mr. Dunn introduced the loan resolution text for a proposed bond to be issued in the near future:

Certificate relating to certain minutes of a meeting of the Board of Education

I, the undersigned Clerk of the Board of Education (the "School Board") of the Concord School District, New Hampshire (the "District"), hereby certify that a regular meeting of the School Board was held on _____ 2016 (the "Meeting"), _____ (____) of the _____ (____) members of the School Board constituting a quorum were in attendance and voting throughout and that all of the members of the School Board were duly notified of the time, place and purpose of the Meeting.

I further certify that the following is a true copy of a vote adopted at the Meeting by a vote of _____ (____) yeas, _____ (____) nays and _____ (____) abstentions (the "Vote").

"VOTED: (1) That under and pursuant to the Municipal Finance Act, Chapter 33, N.H.R.S.A., as amended, and any other enabling authority, there be and hereby is appropriated the sum of \$12,000,000 in order to finance the costs of the following capital projects, including the payment of costs incidental or related thereto (collectively, the "Projects"):

Project Description Amount

Heat Conversion Projects at Abbot-Downing, Christa McAuliffe, Rundlett Middle School, and Concord High School \$9,000,000

Computer Hardware and Software Technology \$1,000,000

School Buses \$1,000,000

Child Care Building Renovation/Replacement/Relocation \$1,000,000

(2) To meet this appropriation, the District Treasurer, with the approval of the Board of Education, is authorized to borrow \$12,000,000 under the Municipal Finance Act, as amended, and any other enabling authority and issue Bonds of the District (the "Bond") in the principal amount of \$12,000,000, and notes in anticipation thereof.

(3) As the amounts indicated above for each project are necessarily estimates, the Business Administrator, may allocate more funds to any one or more of such projects, and less to others, so long as, (i) in the judgment of the Business Administrator, each of the projects described above can be completed within the total appropriation made by this vote, and (ii) if such allocation occurs after the funds are borrowed, that such allocation shall not result in funds being allocated to a project with a useful life that is shorter than the term for which such funds were borrowed for.

(4) That the Clerk of the School Board and the signers of the Bond are each hereby authorized to take any and all actions necessary or convenient to carry out the provisions of this vote, including delivering the Bond against payment therefor.

(5) That all things heretofore done and all action heretofore taken by the School Board and its officers and agents in its authorization of the Projects and their financing are hereby ratified, approved and confirmed.

(6) That the expected useful life of each of the Projects being financed by the Bond is hereby determined to be as follows:

Project Description Useful Life (Years)

Heat Conversion Projects at Abbot-Downing, Christa McAuliffe, Rundlett Middle School, and Concord High School 30

Computer Hardware and Software Technology 3

School Buses 10

Child Care Building Renovation 30

(7) This vote shall take effect upon its passage.

I further certify that the Meeting was open to the public; that the aforesaid Vote was not taken by secret ballot nor in executive session; that notice of the time and place of the Meeting was posted in at least two (2) appropriate public places, (i) _____ and (ii) _____ at least twenty-four (24) hours, excluding Sundays and legal holidays, prior to the Meeting; that no deliberations with respect to the Vote were taken in executive session; and that the minutes of the Meeting have been promptly recorded and have been or will be made open to public inspection within seventy-two (72) hours of the Meeting, all in accordance with RSA 91-A:2.

I further certify that the above Vote has not been amended or rescinded and remains in full force and effect as of this date.

WITNESS my hand this _____ day of _____, 2016.

Clerk

This loan resolution (bonding) was not intended to be voted on at this meeting.

Mr. Dunn also presented text for the Declaration of Intent to Reimburse that needs to be approved by the Board in order for the Board President to sign it.

The Board voted 9-0 by roll call to authorize the School Board President to sign the Declaration of Intent to Reimburse with one modification as discussed at the Finance Committee meeting of October 26, to change the reference to the CRTC teacher prep program childcare facility to “conduct renovation and improvements to the District’s buildings associated with early childhood programs (motioned by Ms. Patterson, seconded by Mr. Croteau).

Jim Richards moved that the Board schedule a public hearing on November 7 at 6:00 p.m. for the purpose of considering a loan resolution for \$12 million to convert from steam to natural gas in four schools, upgrade and add technology, purchase buses, and for renovations to District buildings related to the CRTC childcare facility.

The Board voted 9-0 by roll call to establish the date and time for the Public Hearing on November 7 at 6 p.m. relative to the loan resolution Document AM59074406.1 as presented, with the one change under #1., referencing the CRTC teacher prep program childcare facility, to “conduct renovation and improvements to the District’s buildings associated with early childhood programs (motioned by Mr. Richards, seconded by Barb Higgins).

Ms. Patterson noted that the previous Board vote was on a Declaration of Intent to Reimburse certain expenditures from bond proceedings; it does not mean that the Board has to do the bonding or the projects or that the Board is committed to doing any of them. If the Board does do any of these activities, the Declaration will provide the ability for the District to reimburse itself from the bond proceedings. It provides flexibility but does not bind the Board in any particular direction.

She also clarified that the modification to the motions relative to renovation of the childcare facility was to include the possibility of more than the single building previously used to house this project. She noted that the Instructional Committee meeting on November 2 will be a time for the Instructional Committee to discuss and consider its recommendation on early childhood programming for the School Board's November 7 meeting, and that these are two separate issues.

The Board voted 9-0 by roll call to close the meeting (moved by Ms. Higgins, seconded by Mr. Fennessy).

The meeting adjourned at 6:29 p.m.

Respectfully submitted,

Tom Croteau, *Secretary*

Terri Forsten, *Recorder*